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0483-rn  
190170-011-046

January 28, 1987

J. Michael Farrell, Esq.  
General Counsel  
Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Re: Molter v. Brush Wellman Inc.

Dear Mr. McLaughlin:

We are counsel to Brush Wellman Inc. ("Brush"), an Ohio corporation headquartered in Cleveland, Ohio, formerly known as the Brush Beryllium Company. The purpose of this letter is to provide notice to the United States Government and its pertinent departments and/or agencies of an action filed against Brush arising out of Brush's performance of Atomic Energy Commission Contract No. AT(30-1)-541, and to make demand upon the United States and the pertinent department and/or agencies, to defend, indemnify and hold Brush harmless in that action.

The action, entitled Leo E. and Ellen J. Molter v. Brush Wellman Inc., No. CI86-4075 #8, was filed December 31, 1986 in the Court of Common Pleas for Lucas County, Ohio and was served on Brush on January 7, 1987. On January 21, 1987, I called and notified Robin Henderson, an attorney with the Office of General Counsel for the United States Department of Energy, of this claim since I have worked closely with her in a prior action of which Brush advised you (Jeanne L. Cook v. General Electric Company and Brush Wellman Inc.). A copy of my letter to Ms. Henderson is enclosed for your reference.

In this action, Leo Molter, an employee of Brush, alleges, in summary, that since his employment by Brush in 1955, Brush intentionally exposed him to beryllium and that, as a result of that exposure, he has contracted berylliosis. Mrs. Molter alleges loss of consortium. A copy of the complaint is enclosed for your convenience.

J. Michael Farrell, Esq.  
January 28, 1987  
Page 2

JONES, DAY, REAVIS & POGUE

Contract No. AT(30-1)-541 was entered into in July, 1950, (effective as of February, 1949) and was later extended into the 1960's with various modifications. Copies of this contract were previously supplied to the government in connection with the action Cook v. General Electric Co. and Brush Wellman Inc. but we will gladly provide an additional copy if you so request.

Brush's initial review of Mr. Molter's employment records indicate that Mr. Molter worked at the government-owned plant in Luckey, Ohio (defined as the "M and B Plant" in the contract) between the years 1955-1957. During that period, his job titles included production helper, machine operator, janitor and decontamination assistant. In 1957, he was transferred to Brush's Elmore, Ohio plant, but appears to have been cleared for further government contract work at that facility. He has been employed at the Elmore plant since that time.

As set forth in that Contract No. AT(30-1)-541, the government is required to indemnify Brush for:

Costs and expenses of litigation by, against, or otherwise with, third parties arising out of performance of this contract, including judgments and court costs, reasonable attorneys' fees for private counsel when the Government does not furnish Government counsel, settlements made with the approval of the Commission, and allowances rendered or awarded in connection with suits for wages, overtime or salaries.

Brush, of course, stands ready to offer its full assistance to the government in the defense of this action and to discharge its responsibilities fully under any provisions of the contract which might be applicable in these circumstances. Brush is only beginning its investigation of this claim and will keep you informed of its continuing investigations.

Pending receipt of a response to this letter, which we hope will be forthcoming shortly, we are drafting an appropriate response to the complaint and, if necessary, will obtain an extension of time in which to respond. The response to the complaint is due February 4, 1987.

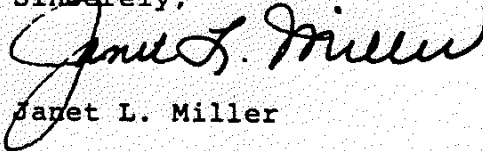
In addition to Brush's claim under the contract, it is clear that this employee was a Brush employee during the period Brush was a government contractor. He, therefore, also may be covered by the program that was recently announced by the

J. Michael Farrell, Esq.  
January 28, 1987  
Page 3

JONES, DAY, REAVIS & POGUE

Department of Energy relating to beryllium workers of the government and government contractors. To my knowledge this program has not been fully implemented yet and his claim may not be susceptible to handling by DOE at this time. Brush, however, preserves its rights under that program and any other applicable contract with the government as well.

Sincerely,

A handwritten signature in cursive script, appearing to read "Janet L. Miller".

Janet L. Miller

cc: Patrick M. McLaughlin, Esq.  
John M. Newman, Jr., Esq.  
James Stout, Esq.  
Richard K. Willard, Esq.